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November 20, 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Disposition of Covert MOL Equipment

On November 19, Mr. Hubbard and I met with Major Whitacre, TCO for the terminated EKC contract. Major Whitacre had requested the meeting as a result of correspondence from both EKC and MDAC (H.B.), in which these contractors requested disposition instructions for items of hardware and equipment for which storage charges would begin to accrue after December 31, 1969. Much of this material falls within the category of things which could be useful to NASA. The following conclusions and actions were agreed to.

Major Whitacre will provide SAFSL with refined cost estimates for monthly storage and protection costs of hardware at both MDAC (H.B.) and EKC. Gross estimates are:

EKC:	16500 ft ² @ \$.06/ft ² /mo	= \$ 1000.00
	Security Guards/mo	= \$ 8000.00
MDAC (H.B.):	7500 ft ² @ \$.06/ft ² /mo	= \$ 450.00
	Security Guards/mo	<u>\$ 8000.00</u>
	Total	\$17450.00/mo

Disposal Costs = \$100,000 (for both facilities).

At the same time SAFSL will request that NASA formally indicate its willingness to bear these costs, beginning January 1, 1970, to protect the equipment until they are able to determine their needs. This decision will be required by December 12, so as to provide the TCO sufficient time to effect his termination actions.

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It appears at this writing, that if NASA decides to pick-up storage/disposal costs, the simplest scheme for transferring money to the EKC contract would be to bring the money into SAFFM, by MIPR, and transfer the funds to General King thru Mr. Kroner.

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BERTRAM KEMP
Lt Colonel, USAF
Deputy Assistant for MOL

- 3 Atch: *NOT w/THIS cy.*
1. Ltr to Maj Whitacre
 2. Ltr to Mr. Ratliff
 3. Msg to BRISK

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